



## **DEPARTMENT OF COMMERCE**

### **Foreign-Trade Zones Board**

**[B-20-2018]**

#### **Foreign-Trade Zone 158 – Vicksburg, Mississippi; Application for Production**

**Authority; MTD Consumer Group Inc., (Textile Grass-Catcher Bags), Verona, Mississippi**

An application has been submitted to the Foreign-Trade Zones (FTZ) Board by the Greater Mississippi Foreign-Trade Zone, Inc., grantee of FTZ 158, requesting production authority on behalf of MTD Consumer Group Inc. (MTD) located in Verona, Mississippi. The application conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.23) was docketed on April 4, 2018.

The MTD facility (over 1,000 employees) is located within Site 17 of FTZ 158. The facility is used for the production of walk-behind lawn mowers using textile grass-catcher bags. In 2016, MTD requested FTZ production authority in a notification proceeding (15 CFR 400.22 and 400.37). After an initial review, the requested production authority was approved subject to a restriction requiring that textile grass-catcher bags be admitted in domestic/duty-paid status (Doc. B-65-2016, 82 FR 6489, January 19, 2017). This pending application seeks authority to use foreign-status textile grass-catcher bags in the production of walk-behind mowers. As requested, production under FTZ procedures could exempt MTD from customs duty payments on the textile grass-catcher bags used in export production. The company estimates that less than ten percent of MTD's walk-behind lawn mowers are exported. On its domestic sales, MTD would be able to choose the duty rate

during customs entry procedures that applies to walk-behind lawn mowers (duty-free) for the textile grass-catcher bags (duty rate 3.8%). MTD would be able to avoid duty on textile grass-catcher bags which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment. The request indicates that the savings from FTZ procedures would help improve the plant's international competitiveness.

In accordance with the FTZ Board's regulations, Elizabeth Whiteman of the FTZ Staff is designated examiner to evaluate and analyze the facts and information presented in the application and case record and to report findings and recommendations to the FTZ Board.

Public comment is invited from interested parties. Submissions shall be addressed to the FTZ Board's Executive Secretary at the address below. The closing period for their receipt is **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**. Rebuttal comments in response to material submitted during the foregoing period may be submitted during the subsequent 15-day period to **[INSERT DATE 75 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the application will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230-0002, and in the "Reading Room" section of the FTZ Board's website, which is accessible via [www.trade.gov/ftz](http://www.trade.gov/ftz).

For further information, contact Elizabeth Whiteman at [elizabeth.whiteman@trade.gov](mailto:elizabeth.whiteman@trade.gov) or 202-482-0473.

Dated: April 4, 2018.

**Andrew McGilvray,**

*Executive Secretary.*

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